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June 5, 2002

Electronic Filing
Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th St., SW, Room TWB-204
Washington, DC 20554

Re: FCC Seeks Comment On AT&T Request to Contribute to Universal Service
Based on Projected Revenues, CC Docket No. 96-45, DA No. 02-376

Federal-State Joint Board on Universal Service, CC Docket No. 96-45; 1998
Biennial Regulatory Review – Streamlined Contributor Reporting Requirements
Associated with Administration of Telecommunications Relay Service, North
American Numbering Plan, Local Number Portability, and Universal Service
Support Mechanisms, CC Docket 98-171; Telecommunications Services for
Individuals with Hearing Speech Disabilities and the Americans with Disabilities
Act of 1990, CC Docket No. 90-571; Administration of the North American
Numbering Plan and North American Numbering Plan Cost Recovery
Contribution Factor and Fund Size, CC Docket No. 92-237, NSD File No. L-0072; Number Resource Optimization, CC Docket No. 99-200; Telephone Number
Portability, CC Docket No. 95-116; and Truth-in-Billing and Billing Format, CC
Docket No. 98-170

<u>In the Matter of the Schools and Libraries Universal Support Mechanism, CC</u> Docket No. 02-6

Dear Ms. Dortch:

On Tuesday June 4, 2002, Joel Lubin and I met with Dorothy Attwood, Chief of the Wireline Competition Bureau, and Carol Mattey, Deputy Chief of the Wireline Competition Bureau, to discuss issues related to AT&T's request to, if necessary, a modify or waive the rule that requires carriers to complete the Telecommunications Reporting Worksheet using revenue figures that are lagged by six months and instead utilize a projection of revenues for assessments

made beginning July 1, 2002. I stressed the need for the Commission to grant AT&T's request to, on an interim basis, contribute to universal service based on projected revenues as a first step towards reforming the universal service assessment and collection mechanism. I reiterated that the current assessment mechanism, which bases assessment on (six-month old) interstate revenues, is irretrievably broken. AT&T's waiver would represent a first step at addressing the current inequitable mechanism, but that it should be only a first step.

In addition, we urged the Commission to utilize some of the approximately \$950 million in "unused funds" identified from the Schools and Libraries programs for years one and two of the program to offset increases in the USF Assessment factor for the third and fourth quarters 2002.

The positions expressed by AT&T were consistent with those contained in the Comments and ex parte filings previously made in the aforementioned dockets. One copy of this Notice is being submitted for each of the referenced proceedings in accordance with the Commission's rules.

Very truly yours,

Robert W. Zummy.

cc: Dorothy Attwood Carol Mattey